

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

James A. Meyer,

Licensee.

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D 03 - 291

STIPULATION AND ORDER
LEVYING A FINE

STIPULATION BY AGENT

James A. Meyer, ("licensee") hereby stipulates to the payment of a fine in the total amount of \$1,500 based on the following facts which are hereby acknowledged. Licensee further stipulates and agrees that he will comply with Washington insurance laws and regulations in the future.

1. The Office of Insurance Commissioner (OIC) conducted an investigation and found that the licensee replaced two existing annuity policies with three new annuity policies issued by London Pacific. The new annuity policies interest rates only exceeded the old annuity policies rate by approximately $\frac{1}{2}$ of 1%. In addition, the three new annuity policies sold to Ms. Cline did not list her as the annuitant and therefore, after her death there would be no death benefit paid to the beneficiaries. Because the beneficiaries were listed as the annuitants, if any of them were to make a request to surrender the annuity policies, they would be penalized by early surrender penalties.
2. OIC's licensing record shows that the licensee has been licensed as a Life and Disability agent since December 2, 1993. The licensee should have a good working knowledge of the suitability of insurance products for the clients he solicits. However, the investigation revealed that the licensee's replacement of these annuity policies was not in the best interest of Ms. Cline. RCW 48.01.030 says the following: "The business of insurance is one affected by the public interest, requiring that all persons be actuated by good faith, abstain from deception, and practice honesty and equity in all insurance matters. Upon the insurer, the insured, their providers, and their representatives rests the duty of preserving inviolate the integrity of insurance."

The licensee has engaged in practices that are not in accord with the standards set out in the insurance code of Washington. Accordingly, the licensee enters this Stipulation to the following Order voluntarily and with the understanding that such fine is in lieu of any suspension or revocation of the licensee's license for such conduct. The facts described above, and the fact of this stipulation, may be considered by the Commissioner in any future administrative actions regarding licensee.

Signed this _____ day of _____, 2003.

By: _____
James A. Meyer

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ORDER

Pursuant to RCW 48.17.560 and the foregoing Stipulation, the Commissioner hereby imposes a fine in the amount of \$1,500 upon James A. Meyer.

The fine shall be paid in full within 30 days from the date of this Order. Upon failure to pay the fine, the Commissioner will revoke the license of the licensee and the fine will be recoverable in a civil action brought on behalf of the Commissioner by the Attorney General.

ENTERED AT TUMWATER, WASHINGTON, this 26th day of December, 2003.

MIKE KREIDLER
Insurance Commissioner

By

SCOTT JARVIS
Deputy Commissioner

Investigator: Tom Talarico